



# Fact Sheet

Office of the Inspector General  
Social Security Administration

## **Hoax Perpetrated Against Elderly Americans Regarding Government Refunds**

The Social Security Administration's (SSA) Office of the Inspector General (OIG) recently completed its investigation of two flyers that target elderly nationwide. This investigation was initiated in response to over 20 independent allegations received by the Social Security Administration, Office of the Inspector General's, Allegation Management Division regarding deceptive flyers targeting Americans aged 75 and older. Two distinct flyers falsely referencing changes in Social Security benefits were widely distributed in certain communities.

### **The Flyers**

- One flyer falsely informs recipients that "the Government is refunding monies to anyone alive that was born up until the year of 1927 due to the Slave Reparation Act." This flyer promises elderly recipients \$5,000 if they supply their name, address, phone number, date of birth, and Social Security number to a "National Victim's Registrar." The flyer states that the \$5,000 may be attached to the person's Social Security benefit check or issued in one lump sum. There is no such law as the Slave Reparation Act – **the flyer is a hoax.**
- The second flyer targets so called "notch babies" born between 1917 and 1926, although certain versions of the flyer have extended that time frame significantly. The "notch" flyer promises recipients higher Social Security benefits or a \$5,000 lump sum "settlement" under a bill proposed in the Senate. The flyer asks for identifying information, including Social Security number, to place the respondent on a "National Victim Register." The flyers warn recipients that: "Social Security will not contact notch babies, so they should write to be placed on a National Victim Register."

### **The Investigation**

- ♦ The return address on both flyers directed all responses to a post office box registered to TREA Senior Citizens League (TSCL), an independent affiliate of The Retired Enlisted Association (TREA).
- TSCL is a tax-exempt 501(c)(4) organization that purports to advocate for legislative reforms favorable to senior citizens.
- As part of its campaign, TSCL fundraises on the issue of notch reform. Specifically, TSCL operates a direct mail campaign that asks seniors to contribute money to TSCL's lobbying efforts that focus on the passage of notch legislation first introduced more than 20 years ago. Although some of TSCL's standard fundraising solicitations also address the notch issue, the OIG's investigation focused solely on two flyers with which TSCL disavows any affiliation.

- ◆ The OIG determined that the flyers generated more than 29,000 individual responses. Respondents were asked to mail their responses to a post office box registered to TSCL. Through an IG subpoena, the OIG received all original responses to the two flyers.
- ◆ The confusion caused by the flyers was immediately apparent: many respondents sent TSCL photocopied identity documents, including Social Security cards, drivers licenses, census documents, school records, birth certificates, detailed family genealogies, and military papers. One respondent even sent an original birth certificate to TSCL along with the completed flyer. It was clear from the responses that the recipients of the flyers believed that the flyers provided legitimate notice of money owed to them by the government.
- ◆ The OIG's preliminary investigation revealed that TSCL responded to the torrent of mail generated by the two flyers by directing its data processing firm to create a database containing the respondents' personal information. TSCL then generated a mailing list and attempted to respond to each recipient of the flyers. TSCL's letter to the victims disavowed any responsibility for the scam, but included TSCL's standard fundraising brochure.
- ◆ The OIG issued subpoenas to TSCL, as the specified recipient of the flyers, and to TSCL's marketing and data processing firms. The OIG vigorously pursued leads generated by the flyers themselves, in addition to interviewing past and present TSCL employees and other persons linked to TSCL. **At all times during the investigation, TSCL denied any involvement with the flyers.**
- ◆ TSCL issued press releases and posted advisories on its website claiming that it had reported the scam to the Social Security Administration and the United States Postal Inspection Service and that TSCL was working along with these federal agencies to identify the origin of the flyers. However, at the same time, TSCL's marketing and data processing firms resisted compliance with the IG subpoenas, causing the OIG to seek enforcement of two subpoenas in federal district court.

### **Results of the Investigation**

- ◆ TSCL has maintained that the flyers were developed and disseminated by a well-intentioned TSCL supporter. Despite a thorough investigation by the OIG, including follow-up with church leaders, senior centers, nursing homes, local officials, magazines and newspapers, the OIG was unable to identify the origin of the flyers.
- ◆ The informal distribution channels employed, which included hand posting on cars and bulletin boards, made source identification nearly impossible. The investigation did determine, however, that:
  - (1) the return address listed on the flyers was TSCL's address;
  - (2) the hoax notch flyers were very similar to the notch reform fundraising flyers that TSCL acknowledges distributing in its normal course of business;
  - (3) TSCL, and only TSCL, received the 29,000 responses generated by the hoax flyers;
  - (4) TSCL directed its data processing firm to enter the personal information of those individuals who responded to the hoax flyers into a database; and
  - (5) TSCL responded to those individuals with a letter denying responsibility and a brochure soliciting a contribution to support TSCL's campaign for notch reform.

Although the investigation did not identify the source of the flyers, it did highlight the vulnerability of senior citizens to exploitation by those who utilize inaccurate, misleading or false information to solicit money from them.